

G. R. S. IX-5]

Previous references.

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4.7 File No. 8/96

Serial Nos. 3.

Later references.

(Gen. & minor)

4.7.9/96

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 3

Major.

Part B for

SUBJECT.

of Mysore
Examination of app^s by Mr. Piddulph.

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No. 25-D.
Enclo. 4.

OFFICE OF THE DEWAN OF MYSORE,
DATED CAMP MYSORE, 15th October 1896.

(15)

FROM

THE DEWAN OF MYSORE.

To

THE RESIDENT IN MYSORE.

SIR,

In continuation of my letter No. 21—D., dated 29th September 1896, forwarding with certain remarks Mr. Biddulph's report of his examination of the Mysore accounts, I have the honor to offer a few observations on his remarks in paras 140 to 150 of Appendix C of his report.

2. The Government of India Securities held by the Mysore State all stand in favor of "The Dewan of Mysore" without the addition of the name of the individual holding that office for the time being. Mr. Biddulph discusses at some length the sufficiency of this form of endorsement and in para 145 makes the following rather alarming statement:—

"It appears therefore that interest on Promissory Notes 'standing merely in the name of 'The Dewan of Mysore' should not be passed by the Public Debt Office."

But as a matter of fact the Public Debt Office have been during the last fifteen years not only passing the interest on all Promissory Notes standing in the name of "The Dewan of Mysore," but have been systematically renewing old ones and issuing new ones in the same name. Only last year the Public Debt Office converted the whole of our Securities from the old 4 per cent to the new $3\frac{1}{2}$ per cent Loan, using in both cases the name "The Dewan of Mysore."

*From the Assistant to the Resident in Mysore, to the Secretary and Treasurer, Public Debt Office, Bank of Madras, No. 869—819, dated 22nd July 1881. (Enclosure No. 1.)

From the Accountant General, Madras, to the Secretary and Treasurer of Public Debt Office, Bank of Madras, No. 3541, dated 3rd September 1881. (Enclosure No. 2.)

3. I enclose for information copies of the marginally noted correspondence* which, I think, is conclusive on the question raised by Mr. Biddulph, but which apparently he had no access to, nor did he apply to me for any information on the subject. In the first of these letters written four months after the Rendition, the Mysore Resident referring to Mr. Rangacharlu's appointment as Dewan of Mysore, intimated to the Public Debt Office, Madras, that officer's competency as such Dewan "to draw interest on, effect the renewal, consolidation, or transfer of Government Promissory Notes, the 'property of the Mysore State.'" The Madras Accountant General thereupon gave the opinion that the Public Debt Office could act upon the intimation thus received from the Resident. Hence the practice of the Public Debt Office both in Calcutta and Madras, to accept "The Dewan of Mysore" as a sufficient and valid form for all purposes whatsoever.

4. The office of "The Dewan of Mysore" was one of the questions definitely settled by the British Government prior to the Rendition and when the Rendition took place on

the 25th March 1881, His Highness the late Maharaja by Proclamation* of the same date announced as follows:—

*Vide page 199 of the Mysore Blue Book 1881.

“For the conduct of the executive administration of the said territories under our commands and control, we have resolved to appoint a Dewan.” This is the definition of “The Dewan of Mysore,” which is available to us for the purpose of any legal discussion. The above mentioned Proclamation also appointed, Mr. Rangacharlu, C. I. E., as Dewan “for the conduct of the executive administration of the said territories.” His late Highness by Proclamation,† dated 12th February 1883, appointed me as his Dewan in identical terms. Under such circumstances the Residency letter of 22nd July 1881, above referred to, has been accepted by the Public Debt Office as sufficient authority in the case of every “Dewan of Mysore” and it has, apparently, not put any further questions on the subject.

†Copy enclosed.
(Enclosure No. 3.)

5. I also beg to enclose copy of the Proceedings‡ of the Madras Government, Political, dated 26th July 1865, which recites the views of the Government of India in the case of the Dewans of Travancore and Cochin.

‡(Enclosure No. 4.)

6. Mr. Biddulph refers to the provisions of the Civil Account Code. In reading his remarks it is necessary to bear in mind that Article 183, intended for the guidance of moffusil Treasury Officers, refers merely to two of the most common forms of endorsements, namely, the personal name of an individual and the usual name of a well known Bank and that Article 188 points out that “there are many cases in which endorsements of other forms than those described in Article 183 are perfectly legal and admissible” though in their case a testing of admissibility by the Public Debt Office is desirable. In the case of “The Dewan of Mysore” the Public Debt Office has long since satisfied itself of the validity and admissibility of the form and has never thought fit to question it in any way.

7. I am unable to agree with Mr. Biddulph in his opinion given in para 148 of Appendix C that “Special Notes for Native States,” have been devised to meet the difficulties he describes. Such difficulties do not really exist. The “Special Notes” avoid the need for legal administration which would exist where Notes are held in the personal name of an individual whether Ruler or not, but such need does not exist where Notes are held in the name of an office as “Dewan of Mysore” so long as the British Government chooses to recognise it.

8. My object in writing this letter is to show that there has been no remissness in so important a matter as the realizability of the Government Securities in which the bulk of the State's Surplus is held. The advisability of converting a part of our investments into “Special Notes” is an altogether unconnected question to be decided on its own merits as to convenience and other advantages. It is certain that the whole cannot be so converted.

I have, &c.,
K. SHESHADRI IYER,
Dewan.

ENCLOSURE No. 1.

No. 869—819.

OFFICE OF THE RESIDENT IN MYSORE,
Bangalore, 22nd July 1881.

To

*The Secretary and Treasurer, Public Debt Office,
Bank of Madras, Madras.*

SIR,

With reference to your letter to the Comptroller in Mysore, No. 604, dated 16th June 1881, I am directed by the Resident to inform you that Mr. C. Rangacharlu, C. I. E., is the Dewan to His Highness the Maharaja of Mysore, and as such, he is competent to draw interest on, effect the renewal, consolidation or transfer of Government Promissory Notes, the property of the Mysore State.

I have the honor to be,

Sir,

Your most obedient servant,

W. J. CUNINGHAM,
Assistant to the Resident.

ENCLOSURE No. 2.

Book Department.

No. 3541.

FORT ST. GEORGE,
ACCOUNTANT GENERAL'S OFFICE,
3rd September 1881.

From

H. F. CLOGSTOUN, Esq.,
Offg. Accountant General to the Govt. of Madras.

To

*The Secretary and Treasurer, Bank of Madras
Public Debt Office.*

SIR,

With reference to your letter No. 896, dated the 31st August 1881, I have the honor to inform you that I am of opinion that the intimation communicated by the Assistant to the Resident in Mysore in his letter No. 869—319 of 22nd July 1881 may be acted upon by the Madras Public Debt Office.

I have the honor to be

Sir,

Your obedient servant,

H. F. CLOGSTOUN,
Offg. Accountant General.

ENCLOSURE No. 3.

PROCLAMATION.

Whereas the office of Our Dewan has become vacant by the death of Cettipuniūm Veerāvalli Rangacharu, c. i. e., We, placing trust and confidence in the loyalty, ability and judgment of Kumarapuram Sheshadri Iyer, do hereby appoint the said Kumarapuram Sheshadri Iyer to be Our Dewan for the conduct of the executive administration of the Territories of Mysore; and We do further appoint the said Kumarapuram Sheshadri Iyer to be *Ex-officio* President of Our Council.

Given under Our hand and Seal at Bangalore, this 12th day of February 1883.



SRI CHAMARAJENDRA WODAYER.

ENCLOSURE No. 4.

Proceedings of the Madras Government, Political Department
26th July 1865.

No. 25—Read the following letter from E. H. Lushington, Esq., Secretary to the Govt. of India, to the Honorable A. J. Arbuthnot, Chief Secretary to Government, Fort Saint George, dated Simla, 21st June 1865, No. 933.

Financial Department.

Your letter No. 83 dated 22nd March 1865, to the address of the Foreign Department, having been transferred to this Department for disposal, I am directed to state, that with a view to remove the technical objection raised by the Accountant General, the Government Solicitor was requested to obtain the opinion of the Advocate-General, as to whether Government Promissory Notes belonging to the Cochin and Travancore States may be safely made out in the names of the Dewans of those States in their official capacity, on the understanding that the name of the Dewan thus accredited shall, on every change in office, be notified by each State to the Government for communication to the Accountant General:

2. A copy of opinion given by the Advocate-General is now forwarded to you with the remark that the course described in the preceding paragraph, which he considers unobjectionable, may, in the opinion of the Governor-General in Council, be adopted, provided the Government of Madras is satisfied that the Dewans are the Agents of the Travancore and Cochin Sirkars for the specific purpose of drawing the interest and effecting the renewal and consolidation of Government Promissory Notes, the property of those States.

Opinion.

In the general law of Bills of Exchange and Promissory Notes it is objectionable to name a payee or party to the instrument, merely by any official designation he may have. And for this reason, that from such a person not being a corporate body, no transmission of interest can arise by operation of law, but any transmission must be effected in the same manner as from any other individual, and external evidence is in all cases necessary to ascertain who the individual is by name, who is so described. But in the particular case which is of an exceptional character (though I conceive the more correct course would be to let the Notes stand in the name of the actual proprietors requiring a power of Attorney from time to time to successive Dewans to draw the interest), I think there will be no harm in allowing the Notes to stand in the name of the Dewans as suggested, if it be desired to accede to the request in this respect.

10 June 1865.

(Sd.) J. GRAHAM

Advocate-General.

"True copy."

(Sd.) R. F. STACK,

Solicitor to Government.

(Sd.) J. E. COOKE,

Asst. Secy. to the Govt. of India.

Ordered that a copy of the foregoing letter be sent to the Accountant General to the Government of India with reference to his letter, No. 264, dated 15th May 1865.

No. 26. ORDER THEREON.—26TH JULY 1865, No. 194.

Ordered to be communicated to the Resident in Travancore and Cochin, in reference to his letter of the 8th March last, No. 19.

"True Extract."

(Sd.) A. J. ARBUTHNOT,

Chief Secretary.

To—The Resident in Travancore and Cochin.

registered and
funded

NO. 78-96-3/15

N^o 25 Encls: 4.

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and

Office of the Dewan of Mysore

Dated Camp Mysore, 15th

October 1896.

To,

The Resident in Mysore.

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From the Assistant to the
Resident in Mysore
to the Secretary and
Treasurer, Public Debt
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N^o $\frac{869}{319}$ dated 22^d -
July 1881.

From the Accountant-
General, Madras, to
Secretary and Treasurer
Public Debt Office,
Bank of Madras —
N^o 3541 dated 3^d -
September 1881.

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8. My object in
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The advisability of con-
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investments into "Special
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to be decided on its
own merits as to con-
venience and other
advantages. It is certain
the whole cannot be so
converted.

M.

I have &c.
✓
Dewan.